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Publications

MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING

ANNUAL REPORT

1995/96

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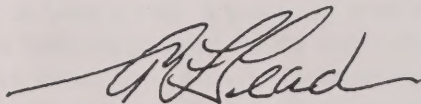


**TO THE LIEUTENANT GOVERNOR
OF THE PROVINCE OF ONTARIO**

MAY IT PLEASE YOUR HONOUR:

For the information of Your Honour and the Legislative Assembly, we have the privilege of presenting the Annual Report of the Ministry of Municipal Affairs and Housing for the fiscal year ending March 31, 1996.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Al Leach', with a long horizontal stroke extending to the left.

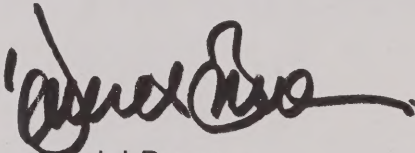
Hon. Al Leach
Minister of Municipal Affairs and Housing

**TO THE HONOURABLE AL LEACH,
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING**

MINISTER:

I have the honour to submit for your approval the 1995-96
Annual Report of the Ministry of Municipal Affairs and
Housing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Daniel Burns', with a stylized flourish at the end.

Daniel Burns
Deputy Minister

The Ministry of Municipal Affairs and Housing was created in July 1995 when the government amalgamated the Ministry of Housing and the Ministry of Municipal Affairs.

ROLE OF THE MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING

The Ministry of Municipal Affairs and Housing is responsible for municipal government, community planning and housing-related programs across the province. It ensures municipalities have the legislative authority to respond to local needs and offers management and administrative support, along with financial assistance, to all municipalities. The ministry also encourages sound planning at the community level and conservation of existing accommodation. It provides rent-geared-to-income housing for qualified low to moderate income households through the Ontario Housing Corporation, administers rental legislation and ensure building safety through the administration of the Ontario Building and Plumbing codes.

With the election of a new government in June 1995, a review was undertaken of the functions of the former ministries in the context of the new government's over-all agenda. In particular, local government reform, social housing, land use planning and a regulatory framework for rental housing were areas scheduled for review.

At year's end, the ministry was implementing policy decisions such as streamlining the land use planning system, providing municipalities with tools to deal with the new, fiscal reality and developing a framework for the restructuring of municipalities. These directions were to enable local governments to become more efficient, accountable and effective in addressing local needs. The ministry was also working to create conditions for a strong, competitive housing market while continuing to support and protect those most in need. ✓

Also at year's end, a business plan was being formulated to meet these objectives while helping to restructure and reduce the cost of government, cut red tape and create new jobs. Five core businesses reflecting the ministry's dual mandate of municipal affairs and housing were defined:

- Sound local government
- Good development through a streamlined land use planning system
- Providing assistance for renters who need help in affording a decent level of shelter
- A regulatory framework for rental housing that would protect tenants, encourage new supply and provide adequate building maintenance
- Cost-effective building regulations

The business plan would include a set of performance measures to demonstrate to taxpayers the accountability and effectiveness of ministry programs and policies.

MAJOR ACTIVITIES AND INITIATIVES FOR 1995/96

The *Land Use Planning and Protection Act* (Bill 20), was introduced to revise the provincial planning system in order to promote economic recovery, cut red tape and remove obstacles to growth. Major features of the proposed legislation included: cutting approval times in half; restoring local planning authority to municipalities; allowing municipalities to decide where apartments could be added to houses; and preventing municipalities from introducing new development charges or increasing existing ones, while a fundamental review of the Development Charges Act was being conducted.

A consultation process was undertaken for a new policy statement to guide Ontario's land use planning and development system. The policy statement would give municipalities more flexibility to make decisions that reflected local needs while protecting the environment. The policy statement was expected to be finalized early in 1996/97 so that it could come into effect if the proposed *Land Use Planning and Protection Act* received legislative approval.

The *Ontario Municipal Support Program* was created, consolidating three existing grant programs: municipal roads grants, unconditional grants and grants for northern transportation assistance. The province removed virtually all the previous constraints on how the grants could be spent, giving municipalities the flexibility to set their own spending priorities.

The *Savings and Restructuring Act* (Bill 26) was introduced to give municipalities more autonomy to make local decisions. It also contained provisions to help local governments become more efficient and cost-effective. Proclaimed in January, the legislation's measures included giving municipalities broader authority to impose user fees and license businesses; and providing local governments with the ability to restructure through, for example, amalgamation of municipalities or shared arrangements for service delivery.

A moratorium was announced on the development of new non-profit housing so that the program could be reviewed. Subsequently, funding was cancelled for 395 non-profit housing projects where construction had not begun. This measure was expected to save an estimated \$500 million over five years. An additional 118 projects were allowed to proceed because they were already under construction.

The Task Force on the Greater Toronto Area (GTA), established by the previous government to address municipal finance issues and the future governance of the GTA, was asked to develop recommendations for reform in the GTA and report its findings within 120 days. Chaired by Dr. Anne Golden, president of the United Way of Greater Toronto, the task force released its final report in January, with 51 recommendations on governance, municipal finance, urban form and economic competitiveness. A review panel headed by Toronto lawyer Libby Burnham was created in February to gauge public response to the report's recommendations.

An audit was commissioned of the Toronto Islands Residential Community Trust which was experiencing financial problems. The trust was responsible for administering the leases for the residential properties on the islands. At year's end, final preparations were being made to introduce the *Toronto Islands Amendment Act*. The legislation was designed to reduce the provincial liability to the island community, allow the island trust to pay off its debt and put the community on a sound financial basis for the long term.

A consultation paper *Back to Basics* was issued as a first step in developing the 1997 Ontario Building Code which is to set minimum standards for the construction and renovation of buildings. The theme of the proposed changes outlined in the discussion paper was to bring back a health and safety focus to the code, ensure the needs of persons with disabilities were met and reduce regulations and unnecessary costs affecting the building and development industries.

A new guideline on Alternative Development Standards, designed to encourage more compact, environmentally-friendly development and more affordable housing and infrastructure, was released by the ministry. Titled *Making Choices*, the guide offers municipalities more choices in urban design including reduced right of way, pavement and boulevard widths, common utility locations and stormwater management techniques.

FACTS AND STATISTICS FOR 1995/96

- ▶ Operating expenditures for the Ministry of Municipal Affairs and Housing in 1995/96 were \$1,901,140,372 and its capital budget totalled \$483,650,699 for a total expenditure of \$2,384,791,071.
- ▶ The rent control guideline for 1996 was set at 2.8 per cent. The guideline is the amount by which a residential landlord can increase the rent once each year without making an application under the *Rent Control Act*. Most of the 1.3 million tenant households in Ontario receive a rent increase each year at or below the amount of the guideline. During the year, about 590,000 inquiries were received from the public on landlord/tenant matters.
- ▶ In 1995/96, funding for the *Ontario Unconditional Grants Program*, which provided financial assistance to Ontario's municipal governments, totalled \$667 million. As noted earlier in this report, this was one of three programs merged into the new *Ontario Municipal Support Program* for 1996/97.
- ▶ During the year, 1,805 decisions were issued on land use planning applications from municipalities. This included approving 30 official plans, and rendering decisions on 768 official plan amendment applications and 146 subdivision applications.
- ▶ Orientation sessions were given and technical information provided to municipal representatives wishing to learn more about municipal restructuring in about 30 areas of the province. In several instances, local representatives subsequently initiated formal restructuring processes. Municipal restructuring helps local governments become more efficient and cost-effective through, for example, amalgamation of municipalities and improved delivery of local services.
- ▶ At year's end, social housing stock financially supported by the Government of Ontario totalled 237,519 units: 111,368 non-profit units managed by municipal non-profit corporations, cooperative housing groups and private non-profit organizations; 84,237 public housing units owned by Ontario Housing Corporation (OHC); a further 23,109 rent supplement units in which tenants are subsidized, primarily in private sector housing, under contract arrangements with OHC; 15,533 units managed by the Metro Toronto Housing Company Limited (MTHCL); and 3,272 units through the Rural Housing program.

- ▶ Ontario government subsidies for these social housing programs totalled more than \$1.1 billion in 1995/96 as follows: \$846 million for non-profit housing; \$180 million for OHC's public housing and \$75 million for the rent supplement programs.
- ▶ With the assistance of the Ontario Building Officials Association, 48 training sessions were conducted on building code issues for municipal building officials, industry representatives and educational institutions. Almost 1,000 individuals across the province participated in these courses.

Ministry of Municipal Affairs and Housing Actual Expenditures, 1995/96 By Major Account	
Category	Expenditures
Net program delivery and support costs	102,821,837
Operating transfer payments for Social Housing	1,061,907,403
Operating transfer payments to Municipalities	735,561,034
Capital transfer payments for Social Housing	46,194,712
Capital transfer payments to Municipalities	437,455,987
Loans and advances	850,098
Total	2,384,791,071

